



# WASHOE COUNTY

"Dedicated To Excellence in Public Service"

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CM/ACM   
Finance   
DA   
Risk Mgt. N/A  
HR N/A  
Other N/A

## STAFF REPORT

BOARD MEETING DATE: April 12, 2016

**DATE:** March 21, 2016  
**TO:** Board of County Commissioners  
**FROM:** Mark Mathers, Budget Manager  
(775) 328-2071, [mmathers@washoecounty.us](mailto:mmathers@washoecounty.us)  
**THROUGH:** Al Rogers, Management Services Director, Manager's Office  
(775) 328-3606, [ARogers@washoecounty.us](mailto:ARogers@washoecounty.us)  
**SUBJECT:** Rescission of the Board of County Commissioners' approval of the resolution to augment the General Fund in the amount of \$1,752,651.16 on March 8, 2016; approval of the attached amended resolution to augment the General Fund in the amount of \$1,752,651.16 for the use of General Fund Carryover to cover unbudgeted expenditures for the fiscal year 2015-16; and, direct the Comptroller to make the appropriate budget adjustments (net impact to County Budget is zero). (All Commission Districts)

### SUMMARY

On March 8, 2016, the Board of County Commissioners (BCC) acknowledged a publication of notice of intent to augment budgets; approved the attached resolution to augment the General Fund in the amount of \$1,752,651.16; approved the use of General Fund carryover to cover unbudgeted expenditures for the fiscal year 2015-16; and, directed the Comptroller to make the appropriate budget adjustments. Subsequent to the approval of the resolution, further delineation of the accounting of the projects identified in the item was required, thus requiring interfund transfers between capital project funds and the General Fund which requires Board approval. After consultation with the State Department of Taxation, approval of an amended resolution is hereby requested. The State has confirmed that a new publication of notice is not required, however, since the total amount of the augmentation has not changed.

Washoe County Strategic Objective supported by this item: Stewardship of our community

### PREVIOUS ACTION

May 18, 2015: BCC approved the 2015-16 final budget.

March 8, 2016: BCC approved resolution for a General Fund augmentation of \$1,752,651.16.

AGENDA ITEM # 8

## **BACKGROUND**

In most years there is a difference between the actual audited ending fund balance of one fiscal year and the budgeted beginning fund balance of the subsequent fiscal year, which is excess beginning fund balance, also known as carryover. This amount is available for one-time purposes such as unanticipated capital expenses or other increases needed for anticipated cost overruns. If the Board chooses not to process a mid-year augmentation, these monies remain in the General Fund's balance and are available in future years.

It is recommended that a portion of the carryover from fiscal year 2014-2015 available for fiscal year 2015-2016 be used for the following unbudgeted funding requirements:

- 1) As approved by the BCC on November 13, 2012, the County is required to transfer half of any of the District Court's General Fund savings in the prior fiscal year for the court-restricted capital expansion account project to support the long-term capital needs of the Second Judicial District Court. In fiscal year 2014-15, half of these savings amounts to \$771,530.16.
- 2) The Justice Courts collect administrative assessment funds that have 2- and 5-year expirations on their use. A total of \$53,851 of unused administrative assessments for Wadsworth Justice Court was transferred to the court's General Fund in fiscal year 2014-15 and requires a carryover appropriation for use in fiscal year 2015-16. Sparks and Incline Village Justice Courts did not have any balance of administrative assessments. Expired administrative assessments collected by Reno Justice Court are not re-appropriated because these assessments covered a portion of staff costs in the previous fiscal year.
- 3) An additional \$431,842 is requested to augment the Sheriff's Office (WCSO) salaries and benefits budget. SAP does not calculate "step increases" for sworn positions. Therefore, the fiscal year 2015-2016 WCSO adopted budget did not include salary increases for sworn personnel not at their top step. This amounts to \$431,842, or 0.5% of the total salary and benefits budget for the WCSO. Now that this issue has been identified, it will be accounted for in future budget years.
- 4) An additional \$390,428 is requested to augment the capital budget for technology upgrades to the Commission Chambers and Caucus Room. With current funds available this year to replace the interior of the Commission Chambers including carpet and chairs, an update of the control room and overall audio/video components at the same time is cost-effective.
- 5) Also requested are non-capital items for upgrades of the Caucus Room and the creation of additional offices in the County Complex.

**FISCAL IMPACT**

If approved, the augmentation for carryover will result in an increase in appropriations for the General Fund of \$1,752,651.16, which will be appropriated in the following accounts:

**Increase General Fund Expenditures**

IN60277 - 710100 Wadsworth Justice Court Admin Assessment funds	\$ 53,851.00
C150200 – 701412 Sheriff - Salary Adjustment	\$ 304,221.00
C150200 – 705360 Sheriff - Benefit Adjustment	\$ 127,621.00
C109100 – 711502 Buildings & Improvements Non-capital	\$ 50,000.00
C101100 – 711504 Equipment Non-capital	\$ 55,000.00

**Increase General Fund Transfers Out**

C188500-814092 Transfer Out of General Fund to Capital Funds	\$1,161,958.16
<b>Total Increase of General Fund Appropriations</b>	<b>\$1,752,651.16</b>

**Transfers In to Capital Funds**

C920301-621001 transfer of cash into the Capital Fund	\$ 771,530.16
PW920299-621001 transfer of cash into the Capital Fund	\$ 390,428.00
<b>Total Transfers In to Capital Funds</b>	<b>\$1,161,958.16</b>

**Corresponding Increase of Capital Funds Appropriations**

C920301 - 781002 District Court Expansion project	\$ 771,530.16
PW920299 - 781004 BCC Chambers Project	\$ 390,428.00
<b>Total of Capital Funds Appropriations</b>	<b>\$1,161,958.16</b>

**RECOMMENDATION**

To rescind the Board of County Commissioners’ approval of the resolution to augment the General Fund in the amount of \$1,752,651.16 on March 8, 2016; approve the attached amended resolution to augment the General Fund in the amount of \$1,752,651.16 for the use of General Fund Carryover to cover unbudgeted expenditures for the fiscal year 2015-16; and, direct the Comptroller to make the appropriate budget adjustments.

**POSSIBLE MOTION**

Should the Board agree with staff’s recommendation, a possible motion would be: “Move to rescind the Board of County Commissioners’ approval of the resolution to augment the General Fund in the amount of \$1,752,651.16 on March 8, 2016; approve the attached amended resolution to augment the General Fund in the amount of \$1,752,651.16 for the use of General Fund Carryover to cover unbudgeted expenditures for the fiscal year 2015-16; and, direct the Comptroller to make the appropriate budget adjustments.”

AMENDED RESOLUTION  
TO AUGMENT THE BUDGET OF THE WASHOE COUNTY GENERAL FUND

WHEREAS, the Board of County Commissioners approved a resolution augmenting the County's General Fund by the amount of \$1,752,651.16 on March 8, 2016; and

WHEREAS, subsequent to the approval of this resolution, further accounting adjustments are necessary, thereby necessitating rescission of the resolution adopted on March 8, 2016 and approval of an amended resolution; and

WHEREAS, the Washoe County General Fund has sufficient available resources consisting of an opening fund balance of \$51,299,752 which is greater than the beginning fund balance of \$43,376,849 budgeted in fiscal year 2015-16; and

WHEREAS, the Washoe County General Fund has the need for appropriation authority for unbudgeted expenditures; and

WHEREAS, the Washoe County General Fund also has sufficient cash to meet these additional expenditures;

NOW THEREFORE BE IT RESOLVED, by the Board of County Commissioners of the County of Washoe, State of Nevada:

Section 1. That the resolution approved on March 8, 2016, by the Board of County Commissioners is hereby rescinded.

Section 2. That the budget of the Washoe County General Fund be adjusted as follows:

**Increase General Fund Expenditures**

IN60277 - 710100 Wadsworth Justice Court Admin Assessment funds	\$ 53,851.00
C150200 - 701412 Sheriff - Salary Adjustment	\$ 304,221.00
C150200 - 705360 Sheriff - Benefit Adjustment	\$ 127,621.00
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**Corresponding Increase of Capital Funds Appropriations**

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PW920299 - 781004 BCC Chambers Project	\$ 390,428.00
<hr/> Total of Capital Funds Appropriations	<hr/> \$1,161,958.16

Section 3. This Resolution shall be effective on passage and approval.

Section 4. The County Clerk is hereby directed to distribute copies of the Resolution to the Department of Taxation, Comptroller, and the Budget Office.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Chair, Washoe County  
Board of County Commissioners

ATTEST:

\_\_\_\_\_  
County Clerk